Office-Supreme Court, U.S.
FILED
APR 8 1983
ALEXANDER L. STEVAS,
CLERK

No. 82-1484

In the Supreme Court of the United States

OCTOBER TERM, 1982

CORDIS CORPORATION,
PETITIONER,

v.

CARDIAC PACEMAKERS, INC.,
RESPONDENT.

REPLY BRIEF

HENRY D. PAHL, JR.
KENWAY & JENNEY
60 State Street
Boston, MA 02109
(617) 227-6300
Attorneys for Petitioner

Blanchard Press, Inc., Boston, Mass.—Law Printers (617) 426-6690

TABLE OF CONTENTS

Page

Table of Contents i

The Respondents Have Admitted That The Courts Below Adopted The Wrong Interpretation Of The Patent Statute 1

The Explicit Holding In *In re Clemens* Is Not Consistent With Nor Narrowed In Effect By The Earlier Decision Of *In re Bass* 3

It Is Not A Factual Dispute To Point Out The Complete Absence Of Supporting Testimony For A Required Finding 4

Conclusion 5

TABLE OF CITATIONS

Cases

In re Bass, 474 F.2d 1276 (CCPA 1973) 3

In re Clemens, Hurwitz, and Walker, 622 F.2d 1029 (CCPA 1980) 1, 2, 3

Graham v. *John Deere Co.*, 383 U.S. 1 (1966) 4

South Corp. v. *United States*, 690 F.2d 1368, 1371 (Fed. Cir. 1982) 2

Statutes

35 U.S.C. §102(g) 2, 3, 4

§103 ..... 2, 3, 4

In the
Supreme Court of the United States

OCTOBER TERM, 1982

No. 82-1484

CORDIS CORPORATION,
PETITIONER,

v.

CARDIAC PACEMAKERS, INC.,
RESPONDENT.

REPLY BRIEF

THE RESPONDENTS HAVE ADMITTED THAT THE COURTS BELOW ADOPTED THE WRONG INTERPRETATION OF THE PATENT STATUTE

Brazenly and with complete indifference to the injustice which would result from their position, counsel for the respondent have admitted that the legal precedent, *In re Clemens, Hurwitz, and Walker*, 622 F.2d 1029 (CCPA 1980), which they induced the Courts below to ignore, is now the universal law of the land while simultaneously arguing that, for such reason, there is now no conflict between the circuits to interest this Court.

The respondent notes that the Court of Appeals for the Federal Circuit has adopted as binding precedent the body of law represented by the holdings of its predecessor courts.

> "Other than that created by our predecessor courts, no body of law established by any other court or set of courts would appear a suitable candidate for adoption. . . .
>
> As a court of nationwide geographic jurisdiction, created and chartered with the hope and intent that stability and uniformity would be achieved in all fields of law within its substantive jurisdiction, we begin by adopting as a basic foundation and jurisprudence of the two national courts which serve not only as our predecessors, but as outstanding contributors to the administration of justice for a combined total of 199 years, the Court of Claims and the Court of Customs and Patent Appeals."

South Corp. v. *United States*, 690 F.2d 1368, 1371 (Fed. Cir. 1982).

The body of law being adopted thus includes *In re Clemens*, *supra*, whose clear and controlling interpretation of the patent statute was totally ignored by the trial court. *In re Clemens* expressly held that prior invention, recognizable under 35 U.S.C. §102(g), was *not* part of the prior art recognizable under the obviousness standard of 35 U.S.C. §103. Stated another way, the holding of the trial court in this case, affirmed *per curiam* by the Court of Appeals, is explicitly contrary to the holding in *Clemens*, now admitted to be the law of the land.

To argue that this Court should not hear this case while making such an admission is a callous affront to justice and ignores the general supervisory powers of this Court.

THE EXPLICIT HOLDING IN *In re Clemens* IS NOT INCONSISTENT WITH NOR NARROWED IN EFFECT BY THE EARLIER DECISION OF *In re Bass*

Though arguing that this Court should not exercise jurisdiction merely because of the timing of this particular case in relation to a revision of the judicial structure, the respondent has also attempted to obscure the relevance of the *Clemens* precedent. In particular, respondent argues that the *Clemens* opinion could not mean what it clearly says because that would conflict with the earlier decision of the same court in *In re Bass*, 474 F.2d 1276 (CCPA 1973).

This planned obfuscation, however, ignores the fact that the result in *Bass* was expressly limited to its peculiar circumstances. In *Bass* the later inventor *knew* about the work of the earlier inventor. Thus, it was clearly appropriate to judge the level of invention against the previously acquired knowledge. The result in *Bass* is thus impeccable. The logic in *Bass* seems flawed only by the fact that Judge Rich's opinion bases the result on 35 U.S.C. §102(g) rather than 35 U.S.C. §102(f). The provisions of 35 U.S.C. §102(f) allow an inventor to claim only that which *he himself* invented and thus this paragraph would seem to be the better statutory basis for the same result. This paragraph would not apply to the present case where the alleged prior inventions were secret.

In any event, the later opinion in *Clemens* clearly reaffirms the Patent Court's intention to limit the precedential value of the *Bass* decision to its particular circumstances. Likewise, the holding in *In re Clemens* is clearly to the effect that secret prior inventions recognizable under 35 U.S.C. §102(g) are not to be treated as prior art under the "obviousness" standard of 35 U.S.C. §103.

It Is Not A "Factual Dispute" To Point Out The Complete Absence Of Supporting Testimony For A Required Finding

Whether under 35 U.S.C. §103 itself or by reason of the erroneous incorporation of the "obviousness" standard of 35 U.S.C. §103 into 35 U.S.C. §102(g), any reasoned determination of "obviousness" requires an initial determination of the level of skill in the art to which the invention pertains. *Graham* v. *John Deere Co.*, 383 U.S. 1 (1966).

Counsel for the Respondent has characterized petitioner's position on this issue as a "factual dispute" i.e. they argue that this is a dispute over the *quantity* of evidence received by the District Court. This allegation is false. Petitioner has repeatedly pointed out, both to this Court and the Court of Appeals for the Eighth Circuit, that CPI's only expert, Leroy Prohofsky, gave *no testimony at all* directed to this point, notwithstanding the quoted statement from Judge Devitt's opinion. Before either Court, CPI would have needed only to quote a single relevant passage from Prohofsky's testimony in order to refute Petitioner's allegation. This they have been unable to do since no such passage exists. The required finding, though mouthed in the District Court's opinion, is wholly unsupported. As each of the holdings with respect to validity was predicated on finding that major differences between various machines were "obvious", each such holding is also fatally flawed.

Conclusion

Each of the preceding three sections of this brief deals with an argument first raised in the opposition brief. However, on analysis, it is submitted that each of these arguments or issues points up the erroneous nature of the decision by the trial court and the failure of the Court of Appeals for the Eighth Circuit to deal with the errors. On no way do these issues detract from the arguments raised in the original Petition.

Respectfully submitted,

HENRY D. PAHL, JR.
KENWAY & JENNEY
60 State Street
Boston, MA 02109
(617) 227-6300
Attorneys for Petitioner